

REP. WILSON VOTES TO RESTORE FISCAL DISCIPLINE
Statutory PAYGO Bill Passes the House of Representatives

Washington, DC – Today, Congressman Charlie Wilson (OH-6) voted to restore fiscal discipline by putting the “pay-as-you-go” principle into law.

“This bill demonstrates our commitment to fiscal responsibility and will restore the policy that led us from deficit spending and debt to surpluses,” Wilson said. “We have to reduce our deficit spending. If we don’t, we will not be able to invest in vitally important priorities like health care, education and clean energy.”

The PAYGO bill that passed the House today is similar to the statutory PAYGO law that was in place in the 1990s, which helped turn massive deficits into record surpluses. The Republican-controlled Congress allowed these rules to expire in 2002, which contributed to the dramatic turnaround from a projected surplus of \$5.6 trillion to projected deficits of more than \$11 trillion.

“PAYGO just makes common sense and families live by it every day,” Wilson said. “If you spend more in one area of the family budget, you’ve got to cut back in other areas. It’s time the government lived by the same rule.”

The statutory PAYGO bill requires Congress to pay for the costs of tax cuts or increases in entitlement spending with savings elsewhere in the budget. Exceptions can be made if a situation is deemed an emergency, so that Congress is always able to respond quickly if necessary. There are consequences for not paying for legislation, which will ensure that this new law is adhered to: if the net effect of all legislation enacted during a session of Congress increased the deficit, there would be an across-the-board reduction in certain mandatory programs. Programs that assist low-income Americans would be protected, as would Social Security, and the effect on Medicare would be limited.

